Social enterprise? What is that?

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Six in 10 companies don't know what such businesses do: Survey

THEY are businesses with a mission to improve society.

But it seems that social enterprises have a problem - not enough companies know about them.

In fact, many firms have no idea what they do, according to a new study.

It found that more than six in 10 corporations could not say what a social enterprise is.

And only 14 per cent could actually name one.

This lack of awareness was a key reason for firms failing to purchase social enterprises' products and services or provide them with financial support and "in-kind" help such as mentorship.

The study, released yesterday by the Social Enterprise Association, was conducted by four recent graduates from the National University of Singapore Business School.

They carried out telephone interviews with those involved in corporate social responsibility at 155 randomly selected companies between last December and March.

When asked whether they knew what a social enterprise was, only 34 per cent said "yes".
About two-thirds had not purchased products or services from social enterprises - which generally put their profits towards furthering social causes - and were not likely to in the next six months.

Meanwhile, 62 per cent said they had not provided in-kind or monetary support and had no immediate plans to do so.

The public may be even more in the dark. In 2010, the association commissioned a survey that polled 2,000 Singaporeans and permanent residents.

Only 13 per cent of them knew about social enterprises.

Dr Gillian Koh, a board member at the association, put the lack of awareness down to the fact that the sector is "still young".

She said her organisation will use the findings of the latest survey to encourage companies to provide in-kind support.

Mr Richardo Chua, managing director of Adrenalin Events and Education, suggested that social enterprises network more widely to make themselves known among corporates.

Ms Josephine Ng, director of clothing alteration business A-Changin, said they should focus more on promoting the quality of their products and services.

"We don't market ourselves as a social enterprise," she said. "We stress that we offer high-quality alteration services.

"They find out how good we are... And then we also get more business through word of mouth."